

**WASHINGTON, DC**—Rep. Peter DeFazio sent a letter to the Surface Transportation Board today urging them to grant an additional 120 days for the Port of Coos Bay to buy the Coos Bay Line. The Board typically grants entities 90 days in which to complete the sale from the time that the Board sets the sale price. However, due to the down turn of the credit markets and the expectation that the Board will set a very expensive price on the Line, 90 days is not enough time to secure public funds with which to buy the Line.

DeFazio included \$8 million for purchase of the Line in a bill but it is unclear if Congress will be able to act on this legislation before next year. Likewise, the Oregon legislature, which may also provide sources of funding in addition to the \$4 million the state has already committed, does not meet again until January.

“The Coos Bay Line is critical to the economy of the South Coast. There is broad public support for, and a strong public interest in, the Port of Coos Bay purchasing the Line and the Port deserves the chance to do that,” DeFazio said. “However, due to circumstances outside the Port's control – including the impact of the recent economic down turn on the credit markets – they need more time to be able to secure the necessary funds. Therefore, I am urging the Surface Transportation Board to give the Port a 120 day extension to work on this issue.”

November 7, 2008

The Honorable Anne K. Quinlan

Acting Secretary

Surface Transportation Board

395 E St. SW

Washington, DC 20423

Re: STB Finance Docket No. 35160 Oregon International Port of Coos Bay – Feeder Line Application – Coos Bay Line of the Central Oregon & Pacific Railroad, Inc

Dear Secretary Quinlan:

I write to encourage the Board to extend its timeline for the Port of Coos Bay to come to a final agreement to purchase the Coos Bay Line from the Central Oregon and Pacific Railroad (CORP).

I was pleased with the Board's decision of October 31<sup>st</sup> to grant the Port's feeder line application in order to force the sale of the Coos Bay Line. However, due to a number of factors outside the Port's control they are in need of more time to put together the funding to purchase the Line. It is my understanding that once the price has been set by the Board and the Port agrees to move forward, it is typical for the Board to set a deadline of 90 days in which to complete the sale. Because of the recent downturn in the credit markets and the schedule of the Oregon Legislature and Congress, 90 days simply isn't enough time. The Oregon Legislature, which may provide sources of funding in addition to the \$4 million the state has already committed, does not meet again until January. Additionally, while I have inserted language into a bill to provide \$8 million to the Port for purchase of the Line, it is unclear whether Congress will be able to act on the bill before the end of the 110th Congress. Finally, the Port has filed an application for a Railroad Rehabilitation & Improvement Financing loan with the Federal Railroad Administration, which will take up to 180 days to process.

For these reasons I respectfully request the Board consider granting the Port of Coos Bay an additional 120 days in which to complete the sale of the Line. Using public funds to purchase the Coos Bay Line is in everyone's best interest and the Port deserves the best chance possible to do so.

Sincerely,

Peter A. DeFazio

Member of Congress